



PRESS RELEASE
*Office of the United States Attorney
Middle District of Florida*

PAUL I. PEREZ
UNITED STATES ATTORNEY

400 North Tampa Street
Suite 3200
Tampa, Florida 33602
813/274-6000
813/274-6300 (Fax)

300 North Hogan Street
Suite 700
Jacksonville, Florida 32201
904/301-6300
904/301-6310 (Fax)

501 West Church Street
Suite 300
Orlando, Florida 32805
407/648-7500
407/648-7643 (Fax)

2110 First Street
Suite 3-137
Fort Myers, Florida 33901
239/461-2200
239/461-2219 (fax)

Contact: Steve Cole ♦ Public Affairs Specialist ♦ 813/274-6352

For Immediate Release

November 21, 2006

**VOLUSIA COUNTY TAX PREPARER PLEADS GUILTY TO
FILING FALSE TAX RETURNS AND PREPARING FALSE TAX RETURNS**

Orlando, Florida - United States Attorney Paul I. Perez today announced that KEITH W. WARNER, a 48-year-old resident of Orange City, Florida, pled guilty to one count of filing false tax returns and one count of preparing false tax returns. The maximum penalties WARNER faces is six years' imprisonment and a fine of \$500,000.

According to court documents, WARNER owns and operates a tax preparation business. WARNER prepared two different tax returns for each of his clients without their knowledge that being: a) WARNER prepared and electronically filed Forms 1040 for clients, which contained false Schedule A and/or Schedule C deductions, unbeknownst to his clients; and b) WARNER provided to each of the clients a copy of a return which reflected a lesser refund due than the returns WARNER filed with the Internal Revenue Service. WARNER included his personal bank account information on his clients' returns and their refunds were deposited into eight different bank accounts, which were owned either by WARNER or WARNER and his wife. For the years 2000, 2001, and 2002,

WARNER received 219 client refunds, totaling \$957,927.00, of which \$452,534.00 was paid to his clients. Generally, WARNER paid his clients the lesser refund amount reflected on the return he provided to them. WARNER kept the balance of the refunds for himself. The total tax loss for this portion of his scheme was \$220,863.04. Additionally, in 2006, one of WARNER's clients received a letter from the IRS requesting documentation to substantiate the client's deduction for travel expenses. The client provided the letter to WARNER, who advised that he would handle the matter. In response to the letter, WARNER provided the IRS with false invoices and a false mileage log to substantiate the deduction. The client was unaware that WARNER provided the false documentation to the IRS.

On his own income tax returns, under penalties of perjury, WARNER willfully and falsely understated his taxable income by a total of \$420,237.00 for calendar years 2001 through 2003, specifically, \$135,199.07 for 2001; \$119,266.56 for 2002; and \$165,770.89 for 2003. The total associated tax loss for his own income tax returns for the calendar years 2001, 2002, and 2003, is \$102,446.00, specifically, \$46,388.00 for 2001; \$25,958.00 for 2002; and \$30,100.00 for 2003.

The case was investigated by the Internal Revenue Service and is being prosecuted by Assistant United States Attorney I. Randall Gold.